

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

The Andhra Pradesh Value Added Tax Rules, 2005 – Certain Amendments – Notification – Issued.

REVENUE (CT.II) DEPARTMENT

G.O.Ms.No. 503.

Dated:08/5/2009.

Read:

G.O.Ms.No.394, Revenue (CT.II) Dep't., dt.31.3.2005.

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ORDER:-

The appended notification shall be published in extraordinary issue of the Andhra Pradesh Gazette.

2. The Commissioner of Printing, Stationery and Stores Purchase (Publication Wing), Andhra Pradesh, Hyderabad, is requested to supply 100 (one hundred) copies of the notification to Government and 300 (three hundred) copies to the Commissioner of Commercial Taxes, Andhra Pradesh, Hyderabad.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

G.SUDHIR

PRINCIPAL SECRETARY TO GOVERNMENT

To

The Commissioner of Printing, Stationery and Stores Purchase
(Publication Wing), A.P, Hyderabad.

(for publication of the Notification (2 copies).

The Commissioner of Commercial Taxes, A.P. Hyderabad.

The General Administration (Vigilance & Enforcement) Department,
B.R.K.R. Building, Hyderabad.

The Secretary, Sales Tax Appellate Tribunal, Hyderabad.

The Secretary, Sales Tax Appellate Tribunal, D.No.60-50-30/12(2),
Meghana Towers, Opp:Gurudwara Bus Stop, Visakhapatnam-530 013.

The State Representative before the Sales Tax Appellate Tribunal,
Hyderabad.

The Director General, GA (Vig.& Enft.) Deptt., B.R.K.Buildings,
Hyderabad.

Copy to:

The Accountant General, Andhra Pradesh, Hyderabad,

The Law (E) Department and Law (F) Department, Secretariat.

The P.S. to Principal Secretary to Chief Minister.

The P.S. to Minister for Commercial Taxes.

The P.S. to Principal Secretary to Government, Revenue Department.

Sf/Sc.

//forwarded :: by order//

Section Officer.

(P.T.O for notification)

NOTIFICATION

In exercise of the powers conferred under Section 78 of the Andhra Pradesh Value Added Tax Act, 2005 (Andhra Pradesh Act No.5 of 2005), the Government of Andhra Pradesh hereby makes the following amendments to the Andhra Pradesh Value Added Tax Rules, 2005 issued in G.O.Ms.No.394, Revenue (CT-II) Department, dt.31-03-2005 and published in the Rules Supplementary to Part-I Extraordinary Issue of the Andhra Pradesh. Gazette No.29, dt.20-04-2005, and as subsequently amended from time to time.

2. These amendments shall be deemed to have come into force on 01-05-2009.

AMENDMENTS

In the said rules:

1. in rule 14, in sub-rule (2) clause (a) shall be omitted.

2. in rule 17,

- (i) In sub-rule (1), in the table for Standard deductions for Works Contracts after Sl.No.4 the following shall be inserted, in the columns (1), (2) and (3) respectively;

(1)	(2)	(3)
"4 (a)	Design, fabrication and installation of centralized Air-conditioning plant, cooling towers, humidification plants, Air Handling units, Refrigeration plants and any other Heating, Ventilating and Air Conditioning systems.	Five percent"

- (ii) in sub-rule (2), after clause (i) the following clause shall be added namely;

"(j) Where tax is collectable at source as per sub-section (3-A) of section 22 of the Act, in case of a contractor who have opted for payment of tax by way of composition, tax @4% on the total value of the contract shall be collected and remitted by the contractee within fifteen days from the date of each payment made to the contractor."

- (iii) in sub-rule (3), in clause(c), the words "and when the VAT dealer opts to withdraw from composition, he shall notify the prescribed authority on Form VAT 250A" shall be omitted.

- (iv) in sub-rule (4): .

(a) the existing clause (c) shall be omitted.

(b) for clause (d) the following shall be substituted namely;

"(d) The VAT dealer shall have to pay tax by way of composition at the rate of four percent (4%) on twenty five percent (25%) of the total consideration received or receivable *towards cost of land as well as construction* or the market value fixed for the purposes of

stamp duty, whichever is higher and the balance seventy five percent (75%) of the total consideration received or receivable shall be allowed as deduction for the purpose of computation of taxable turnover;”.

3. in rule 18 after sub-rule (2), the following shall be added namely;

“(3) (a) Where tax is collectable at source as per sub-section (3A) of section 22 of the Act, tax @4% on the total value of the contract shall be collected and remitted by the contractee within fifteen days from the date of each payment made to the contractor.

(b) Where tax, collected at source as above, is in excess of the liability of the contractor, who have not opted for payment of tax by way of composition, such amount of tax, collected in excess of the liability shall be deemed to have been payable by the contractor and shall be liable to be forfeited.”

4. In rule 20 in sub – rule (2) after clause (p), the following shall be added, namely;

“(q) Furnace Oil, LSHS and other similar fuels, used in the furnaces and boilers of the factories or manufacturing or processing units”

5. In rule 23,

(i) sub-rule (9) shall be omitted.

(ii) after sub-rule (11), the following shall be added, namely;

“(12.) All the returns prescribed under sub-rules (1) to (8) and (10) of this Rule may also be filed electronically through electronic filing system to be created for the purpose.

(13) Every Department of the State and Central government shall submit a return in Form VAT 230 with all the information, required therein, for each month. The return for each month shall reach the assessing authority of the area, in which the principal place of business is located, on or before 20th day of the succeeding month. The return shall be submitted by the officer of the Department, duly authorized in this behalf by the Head of the Department, concerned. Along with the return, he shall also pay the tax due, if any, as per the return, through cheque, demand draft, pay order or Government treasury challan.”

6. In rule 34, in sub-rule (2),-

(i) for clause (c), the following shall be substituted, namely;

“(c) Every dealer, being the principal and claiming exemption on his turnover under clause (b) of sub-section (10) of section 4 shall be in possession, for every tax period, a declaration in Form 522C obtained from the registered dealer who, on his behalf as an Agent, sold the taxable goods relating to such turnover and such selling agent shall issue the declaration to his principal within ten days from the end of the month in which such goods were sold.”

(ii) for Clause (d), the following shall be substituted, namely;

“(d) Every dealer, being the principal and claiming deduction of input tax on goods, purchased by any other registered dealer on his behalf as a buying Agent, shall be in possession, for every tax period, a declaration in Form 522D, duly obtained from such buying agent, together with the tax invoices in original, relating to such purchases, and such buying agent shall issue the declaration and furnish the tax invoices to his principal with ten days from the end of the month in which such goods were purchased.

7. In rule 35,

(i) in sub – rule (5), for the words, “clauses (b) and (c) of section 8”, the words “clause (b) of section 8” shall be substituted.

(ii) after sub-rule (12), the following shall be added, namely;

“(13) The claim for refund under sub-section (9) of Section 38 of the Act shall be made in Form 510B, along with the proof of payment of tax in original, within 45 days from the end of the month during which the tax was paid, to the Commissioner or to any other officer, authorized by the Commissioner. The refund in such cases shall be made within a period of 90 days from the date of claim.”

8. In rule 40, after sub-rule (3), the following shall be added, namely:-

“(4) The application in Form APP404 shall be accompanied by the proof of payment of tax as specified in sub section (2) of Section 33.”

9. In rule 44, in sub-rule (1) for clause (d), the following shall be substituted, namely,-

“(d) It shall be accompanied by satisfactory proof of payment of the amounts, as specified in the first, second and third provisos, as the case may be, under section 33 of the Act.”

10. In rule 59, in the table under sub-rule (1),

(a) against Serial Number 4, after item (VI) the following shall be inserted in the existing columns (1) (2) and (3) respectively, namely,-

(1)	(2)	(3)
(vii) Proceedings to be issued in consequence to the orders, passed by different Appellate and Revision Authorities under Sections 31,32,33, 34 and 35 of the APVAT Act.	Assistant Commissioner, Commercial Tax Officer or the Deputy Commercial Tax Officer, as the case may be, having territorial jurisdiction over the dealer, irrespective of the fact whether the original order under appeal or revision has been passed by him or not.	Section 37 and Rules 43 and 49.

Contd..5/-

(b) after Serial Number 18, the following shall be added; namely,-

	(1)	(2)	(3)
"19	The Authority to whom the transfer of business as an ongoing concern should be notified.	Assistant Commissioner or Commercial Tax Officer, as the case may be, having territorial jurisdiction over the dealer, who is transferring the business	Rule 36"

11. In Rule 67:

(a) for the existing Illustration on sub-rule (3), the following shall be substituted , namely,

"ILLUSTRATION:

CDL Industries was granted tax holiday for a period of 7 Years from 10-10-1999 for an amount of Rs.65,22,000. As on 31-03-2005, the dealer has availed an amount of Rs.45,10,000.

The period originally availed is 5 (five) years, 5 (five) months and 21 days. The period of availment prior to 01-04-2005, when worked out on doubling the same, is 10(ten) years (11) months and 12 days. Deduct this period from total period of 14 (fourteen) years, as availed to the Units under Deferment Scheme originally. The balance period to be availed after 1-4-2005 is 36 months and 18 days. As per the above sub-rule (1) of this Rule, the dealer now is eligible to avail Tax Deferment for the balance amount of Rs.20,12,000/-for a period of 36 months and 18 days i.e. 01-04-2005 to 18-04-2008.

The amount of deferment, availed for each year, shall be paid after the end of the period of availment, available to the dealer after the conversion from Tax holiday Scheme to Deferment Scheme.

The Calculation is as follows:

1. Actual period of availment under Tax Holiday Scheme : 10-10-1999 to 9-10-2006
2. Period left as on 01-04-2005 : 01-04-2005 to 9-10-2006
3. Period left : 1 Year 6 months 9 days
4. Period doubled as per rule : 3 years and 18 days
5. Period up to which the unit is Eligible for incentive : 18-4-2008
6. The Month & year in which the Tax Availed in the year 2005-2006 is Payable : May 2008
7. The month & Year in which the Tax Deferment availed in subsequent Year is payable : May 2009 and so on.

/p.t.o/

(b) after sub-rule (4) the following shall be added namely:

"(5) The amount availed in the first year, in which the unit is converted from Tax holiday Scheme to Deferment Scheme, shall be paid in the month succeeding the month in which the period for which the Unit is eligible for availment of the incentives is completed and the amount availed in the second year, shall be paid in the year, subsequent to the year in which the amount, availed in the first year is paid or payable and so on.'

12. In the Forms appended to the Rules:

- (a) for the existing Form VAT 213, Form VAT 230, Form VAT 305A and Form VAT 305, the New Forms appended to this notification, shall be substituted, in their place and
- (b) the new Form 510B and 522C, 522D and 526, appended to this notification, shall be inserted after forms 510A and 522B and 525 respectively.

G.SUDHIR
PRINCIPAL SECRETARY TO GOVERNMENT

//TRUE COPY//

Section Officer.